



Mandurah and Pinjarra Housing Analysis

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About Shelter WA

Shelter WA was established in 1979 and has developed into one of Western Australia's peak non-profit housing research organisations.

Shelter WA works towards eliminating homelessness, housing disadvantage and housing stress. We aim to ensure that all low income households' are able to gain access to housing that is secure and appropriate to their needs, at a price they can afford.

We do this by focusing our research on households in greatest need of housing and low income households which experience severe financial difficulties in the private housing market. These households are situated in the bottom 40% of the income distribution and are paying more than 30% of household income on housing.

Shelter WA specialises in monitoring changes to housing affordability through analysing data and producing research for policy makers to base their decisions. We conduct annual surveys and State-wide public consultations so that the community has a significant input into Shelter's research and policy direction.

Shelter supports its activities through contracts with the Department of Housing and Works and research consultancy projects.

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1. Introduction

Each year Shelter WA convenes housing forums in metropolitan and regional areas in which we discuss a range of housing issues affecting low income households. The feedback and dialogue from these forums provide a valuable insight into local housing problems. Importantly they enable Shelter to respond through:

- ▶ Identifying and prioritising housing issues
- ▶ Formulating a regional housing analysis and policy framework;
- ▶ Establishing ongoing links between Shelter WA and local community organisations, government departments and local government.

The study areas for this regional analysis included the City of Mandurah and the Town of Pinjarra both situated in the Peel region of South West Western Australia (see Figure 1)

One of the key drivers of housing prices is population growth. And over the last 5 years the City of Mandurah has endured very high population growth rates compared to the rest of WA (3.6% per annum compared to 1.6% respectively). This represented the seventh highest growth rate of all Local Government Areas (LGAs) in WA.¹ Such a growth rate provides strong evidence that people continue to be attracted to this region due to factors such as proximity to Perth and Bunbury and the popularity of living near the coast.

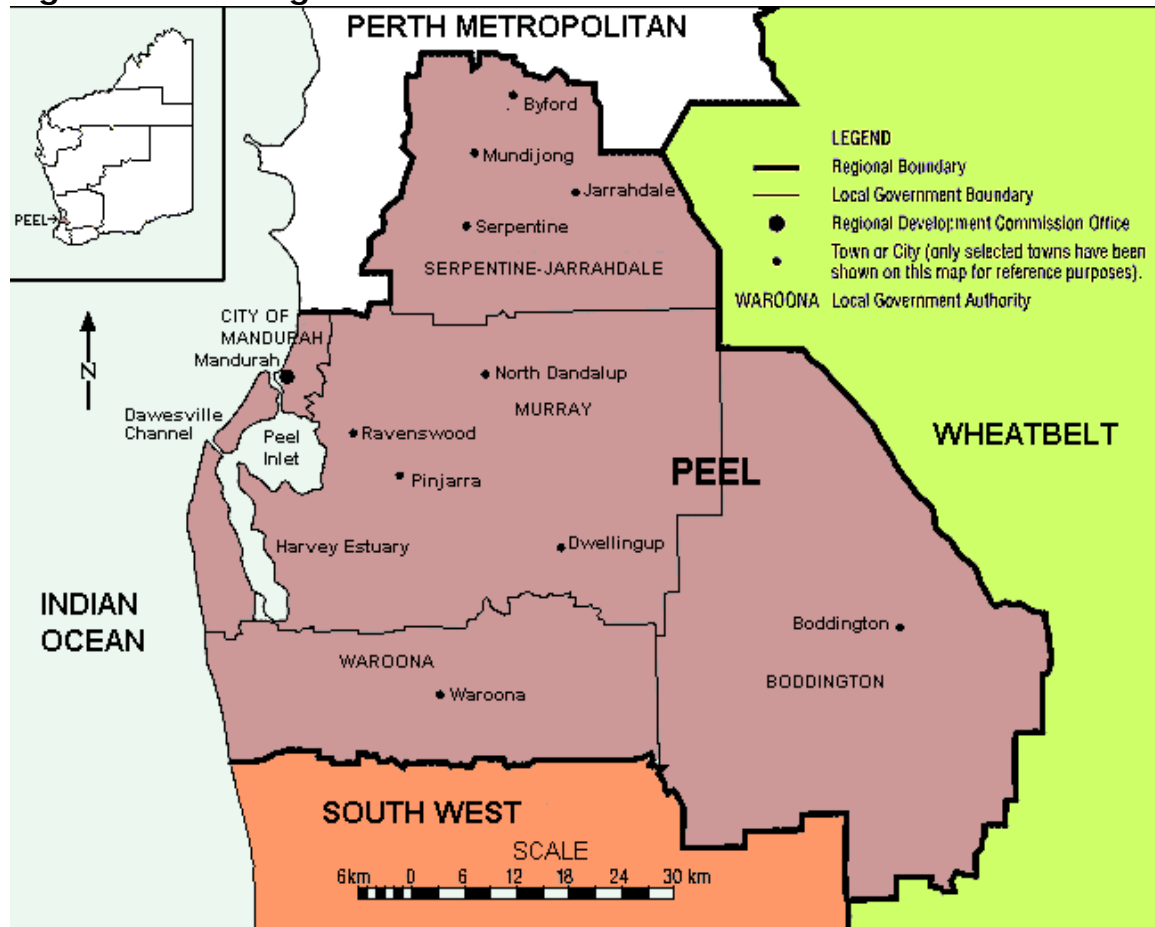
Housing affordability also used to be a magnet for people moving to Mandurah. But as we shall see in this report; housing prices have risen well beyond the affordable range of households in the bottom 40% of the income distribution. Rapid growth in housing prices over the last couple of years is also beginning to bite into larger chunks of the median household income. By June 2007 there were no affordable suburbs in the metropolitan region, where households in receipt of the median income (\$61,000 per annum) were able to purchase a median priced house.

1.1 Consultation Process

From September 2005 through to April 2007, Shelter WA carried out a number of consultations with stakeholders in Mandurah and Pinjarra. A range of issues emerged from those consultations and workshops. For a full list of the key issues discussed, see Appendix 2.

¹ See Australian Bureau of Statistics, 2007, *Regional Population Growth 1996 to 2006*, Cat. No. 3218.0, www.abs.gov.au

Figure 1: Peel Region



(Department of Local Government and Regional Development, 2007)

2 City of Mandurah: Demographic Profile

2.1 Population

The City of Mandurah has continued to record strong growth during the five years to June 2006, increasing by 9,600 - culminating in a population of 58,500 citizens as at June 2006.² This was enough to place Mandurah in sixth position in terms of State ranking for fastest growing Local Government Areas'. These growth rates are reflected in the overall rate of the Peel and South West region which was the second fastest growing Statistical Division (SD) in Western Australia behind the metropolitan region.³

While projections differ between different population projection analyses, the Western Australian Planning Commission (WAPC) estimates that between 2006 and 2011 the population of Mandurah will increase by 3.6%

² See, Ibid

³ See, Ibid

annually.⁴ Further projections indicate that the population of Mandurah will reach 100 000 by 2021.⁵

The impact of population growth upon housing affordability is starting to make its presence felt in Mandurah. Such growth rates are already putting upward pressure on property and rental prices. The Peel region, recorded the second highest regional housing cost movement for 1999-2000 (+5.5%), and over the last five years this trend has continued with the housing affordability gap widening even more over the last couple of years.⁶

2.2 Age Profile

Figure 2 shows the age profile of Mandurah's population in 2003. It highlights some differences when compared to the rest of WA. Namely:

- ▶ That persons' aged from 15 to 44 years make over one in three of Mandurah population (36.3%), compared to 44% for the rest of the State;
- ▶ That the percentage of people over 45 and under 65 is slightly greater in Mandurah than WA (25.2%, compared to 24.1% respectively);
- ▶ The percentage of people aged over 65 years of age are significantly higher in Mandurah than the State percentage (18.3%, compared to 11.4% for WA);
- ▶ The median age in Mandurah is 39 as opposed to 34 for WA.

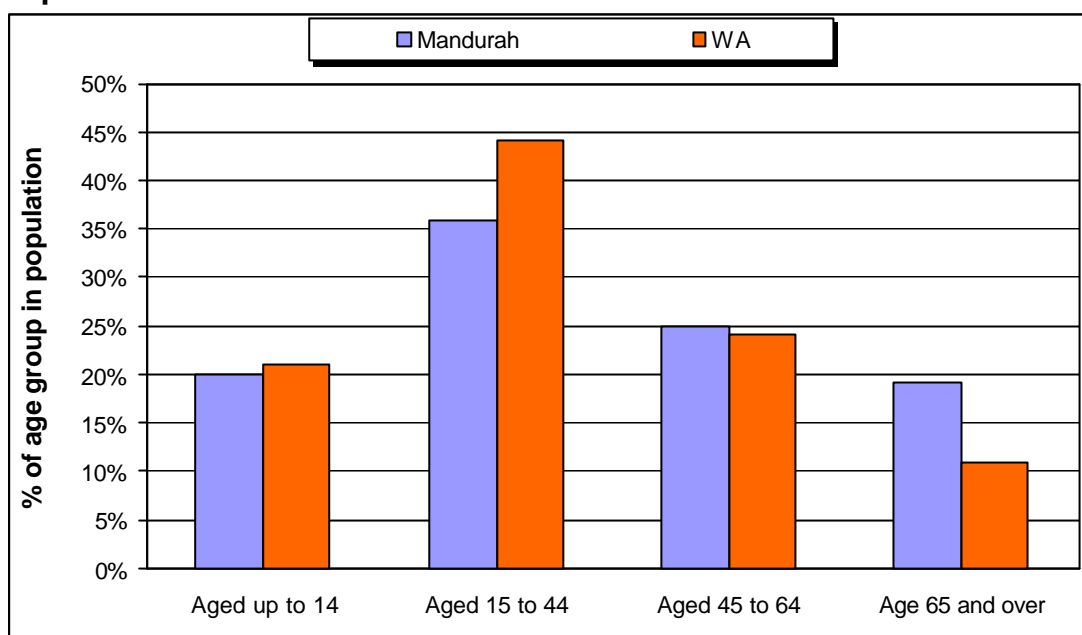
The WAPC projections in Table 1 below indicate that Mandurah will continue to have sizeable growth in the active and frail age group. Table 1 also demonstrates that young adults will continue to feature as a significant proportion of the Peel and Mandurah population. These two groups, compared to the rest of the population, can be more severely affected by increases in house prices. Younger people tend to be less inclined to form homeownership households due to a variety of reasons (i.e. partnering and having children) and are more mobile than people in other age groups.

⁴ See, Western Australian Planning Commission, 2006, *Metropolitan Development Programme 2005/2006 to 2009/2010*, WAPC, Perth

⁵ See Western Australian Planning Commission, 2005, *Population Report No.6: Western Australia Tomorrow – Population projections for planning regions 2004 to 2031 and local government area 2004 to 2021*, Western Australian Planning Commission.

⁶ The affordability gap is the difference between the median housing price and the income required for the median household income to be able to purchase a median price house without exceeding 30% of their gross household income, See Shelter WA, 2006, *The State of Affordable Housing in WA in, 2006*, www.shelterwa.org.au

Figure 2: Age Profile of Mandurah and Western Australian Population in 2003



(Sources: ABS, National Regional Profile Mandurah (C) Cat. No. 1379.0.55.001; ABS, National Regional Profile Western Australia, ABS Cat. No. 1379.0.55.001)

Older low income groups are unlikely to have the income and assets to keep up with housing price inflation. In addition, aged pension households make up over one third of public housing tenancies in Western Australia, suggesting this group is encountering difficulties in accessing other affordable types of tenure?

Table 1: Forecast Resident Population for the Peel Region (a) (b) (c)

Peel (age group)	2006	2011	2016	2021	Change (%)	Prop 2021
0 to 24	26100	29100	32200	35200	35%	27%
25 to 44	19700	22800	26400	30400	54%	24%
45 to 59	16700	19400	22100	23900	43%	19%
60 to 85+	20300	25700	31400	37800	86%	30%
Totals	82800	97000	112100	127300	54%	100%

(Source: Western Planning Commission, 2005)

(a) 0 to 24 refers to pre school children, school children and young adult age group.

(b) 25 to 44 refer to family-formation age group.

(c) 45 to 59 refer to post-family formation age group.

(d) 60 to 85+ refer to the active and frail aged group.

(e) The % of population change is the increase between 2006 and 2021.

(f) Prop 2021 refers to proportion of that age group as a proportion of the total population in 2021.

2.3 Household Structure

Table 2 highlights that Mandurah, inline with the rest of Western Australia, has a declining percentage of couples with children. However, the percentage of families in Mandurah is significantly lower than for the rest of the State, with 44.9% of the population having children as compared to

52.3% of the State in 2001. The percentage of couples without children has remained relatively static in Mandurah over the ten year period with slight changes throughout the State.

Of note is the growth in one parent families in Mandurah. While in 1991 Mandurah had proportionately the same number of lone parent families, this has changed in 2001. In Mandurah, not only has the number of lone parent families increased but the increase is proportionately higher than for WA. Table 2 also demonstrates that in 2001 more than one in every four Mandurah families is without children, whereas in WA the figure was significantly less at one in every five households.

Table 2: Households composition in Mandurah and WA, 1991-2001

	1991 Census		1996 Census		2001 Census	
	Mandurah	WA	Mandurah	WA	Mandurah	WA
One family household:						
Couple family with children	50.23%	59.60%	50.12%	55%	44.90%	52.30%
Couple family without children	27.35%	17.20%	25.75%	19%	27.32%	20.10%
One parent family	9.58%	9.30%	10.90%	9.90%	13.10%	11.20%
Other family	0.58%	1%	0.53%	1.10%	0.59%	1.10%
Total	87.75%	87%	87.27%	85%	85.95%	84.60%
Multi-family household	0.83%	1.30%	1.10%	1.80%	1.23%	1.70%
Lone person household	8.67%	7.70%	9.40%	9.40%	10.50%	10.20%
Group household	2.76%	4%	2.20%	3.80%	2.36%	3.4%
Total	100%	100%	100%	100%	100%	100%

Source data: Australian Bureau of Statistics, Time Series Profile Mandurah (C) (LGA 55110), Cat. No. 2003.0, Table T17, and Australian Bureau of Statistics, Expanded Community Profile Western Australia (State 5), Cat. No. 2003.0, Table T17

2.4 Employment and Income

The main industry in Mandurah is retail representing 19.9% of employment. Other key industries are manufacturing (14.27%), construction (10.39%) and health (8.94%).

The median weekly individual income in 2001 was \$200-\$299 (see Table 3 below). This is compared to \$300-\$399 for WA.

According to the ABS the over 55 age group has a higher percentage of people on an income of \$160-\$299/week than other age brackets. Further 22.5% of individuals are aged over 55 and earning between \$0 and \$299 per week.⁷ A comparison with the same age bracket throughout

⁷ See Australian Bureau of Statistics, 2001 Census of Population and Housing Mandurah (C) (LGA 55110), Cat. No. 2003.0, ABS, Canberra

WA shows that 13.78% of individuals are over 55 years of age and are earning between \$0 and \$299/week.⁸

The unemployment rate for Mandurah as at December 2005 was approximately 8% as opposed to the State unemployment rate of 4.7%.⁹ Comparatively high unemployment rates combined with the high aged dependency rates indicates there will be continued pressure to house low income groups.

Table 3: Average wage comparisons for Mandurah and WA

	Western Australia	Mandurah
Median age(b)	34	39
Median monthly housing loan repayments	\$800-\$999	\$600-\$799
Median weekly rent	\$100-\$149	\$100-\$149
Median weekly individual income	\$300-\$399	\$200-\$299
Median weekly family income	\$800-\$999	\$600-\$699
Median weekly household income	\$700-\$799	\$500-\$599
Mean household size	2.6	2.5

(Sources: Australian Bureau of Statistics, *2001 Census of Population and Housing Mandurah*, Cat. No. 2003.0; Australian Bureau of Statistics, *2001 Census of Population and Housing, Western Australia*)

2.5 Indigenous People

According to 2001 Census data, 744 people in the City of Mandurah were identified as Indigenous. Indigenous people comprise 1.7% of Mandurah's population.¹⁰

With a median age of 17, the Indigenous population has a much higher proportion of younger people than the non-Indigenous population which has a median age of 39. Over half of Indigenous people in Mandurah were aged 25 and under, with 45.3% under the age of 15. Indigenous people also tended to live in larger households, on average containing 3.6 people, compared to 2.5 for non-Indigenous households.

While the non-Indigenous population is considerably older than the Indigenous population, only 1.5% of the Indigenous population is over 65 years of age. This compares with 17.6% of the non-Indigenous population being over 65 years of age.

The majority of Indigenous people (16.3%) were employed in the retail sector. Most Indigenous women were employed in retail (23.7%) and health and community (16.9%). The majority of Indigenous men were employed in manufacturing (18.2%) and construction (15.9%) industries.

⁸ See Australian Bureau of Statistics, *2001 Census of Population and Housing Mandurah* (C) (LGA 55110), Cat. No. 2003.0 and Australian Bureau of Statistics, *2001 Census of Population and Housing Western Australia* (STATE 5)

⁹ See Peel Development Commission web site, Available from <http://www.peel.wa.gov.au/content/discoverPeel/business/labourForce.cfm> (Accessed on 21.4.06).

¹⁰ Australian Bureau of Statistics, *2001 Census of Population and Housing Mandurah* (C) (LGA 55110), Cat. No. 2002.0

This compares to a significant (20.1%) of total non-Indigenous employees employed in the retail sector.

Most Indigenous people are employed as either trades people (18.3%) or labourers (18.3%). The main employment sector for Indigenous women are intermediate sales and clerical staff (33.9%) and elementary sales and clerical staff (20.75%). The majority of Indigenous men are employed as trades people (25.8%) and labourers (24.7%).

Indigenous people have an unemployment rate of 34.5% while non-Indigenous people have an unemployment rate of 12.2%.¹¹

In terms of housing tenure 56.3% of Indigenous households rent as opposed to 22.3% of non-Indigenous households. Only one in ten Indigenous people own their home compared to non-Indigenous people (41.2%).

2.6 Challenges for Coastal Cities in Australia

The outline above of Mandurah, population, age and industry is atypical of cities experiencing the Sea Change phenomenon throughout Australia. As outlined by the National Sea Change Task Force the sea change experience is summarised as follows:¹²

- ▶ Rapid population growth;
- ▶ Dual challenges of an aging population and large numbers of young people under 15;
- ▶ High degree of aged dependency rates;
- ▶ Population shift is driven by those over 45;
- ▶ Appeal of lifestyle;
- ▶ People in their 20's and 30's move away from sea change areas for employment and educational prospects;
- ▶ Tourism is the main economic driver followed by construction and health;
- ▶ Higher than average unemployment;
- ▶ High degree of houses that have absent owners;
- ▶ Rising house prices and rent pushes those on low incomes out of traditional low cost housing;
- ▶ Loss of diverse housing stock;
- ▶ Local councils face the challenge of unexpected population growth, lack of infrastructure, lack of support services, lack of

¹¹ See Ibid.

¹² See National Sea Change Task Force 2006, *Meeting the Sea Change Challenge*, the University of Sydney Planning Research Centre.

funding, impact on the environment and natural resources such as water, impact on the local economy and community.

In the period 2003-4 Mandurah received a total of 470 500 domestic tourists. Of these 50% stayed with family and friends. Furthermore, 37% (5, 300) of international tourists also stayed with family and friends. Only 10% of domestic and 25% of international tourists stayed in hotels and motels.

2.7 Strategies to 2007

Documents such as Network City, the Peel Development Commission's Peel Sustainability Strategy and the National Sea Change Task Force report contain much useful information that will have the potential to improve the relationship between development, environmental, social and economic sustainability in a rapidly changing city.

The recommendations contained in these reports include:

- ▶ Ensuring that developers make a contribution to affordable housing;
- ▶ Developing strategies to manage population growth;
- ▶ Developing appropriate infrastructure to encourage pedestrian safety, community interaction and a sense of place;
- ▶ Developing strategies to ensure that opportunities for those in their 20's and 30's are encouraged to live, work and obtain training in a coastal city.

The report emphasises the key role that local councils have in ensuring that the objective of a sustainable community is achieved.

In December 2005, Shelter WA and the Peel Community Legal Centre, hosted a forum on the *Housing Strategy WA (Draft)*. In this meeting several issues were identified by participants. These included:

- ▶ Housing and sustainability; supply of affordable rental housing;
- ▶ Local and regional housing strategies and their capacity to facilitate local housing policy initiatives. Granting density bonuses for developers who agree to an affordable housing component;
- ▶ The State government to work in partnership with developers to increase the supply of public housing;
- ▶ Promote the role that Council can play in facilitating affordable housing through its policies and practises;
- ▶ Conduct housing needs analysis and modelling.¹³

¹³ See Anthony, J. and Pendergast, P. 2005, *Housing Strategy WA: A report on Mandurah forum*, www.shelterwa.org.au.

Some of these policies have been further developed by the Peel Region Affordable Housing Steering Group (PRAHSG). By June 2007 the Steering Group was well on the way to developing an affordable housing plan for the Peel region. See discussion on PRAHSG in the next section

3. Mandurah House Prices and Housing Needs

This section starts with an overview of issues identified during the preliminary consultations held by Shelter WA in Mandurah from September 2005 - April 2006. These consultations involved 10 people from a range of private, public and community organisations related to housing in Mandurah. A full list is included in Appendix 2.

The various people consulted had different perspectives on housing issues in Mandurah. This section gives an overview of the issues that were perceived to be significant by different organisations.

3.1 Affordable Housing

The central Mandurah area was perceived to be the traditional location of affordable housing. Through redevelopment and rezoning it was felt that those affordable housing options had been lost. New developments did not cater for those on low incomes but were instead 'luxury' or holiday accommodation. Even at the median income level - households were finding it very difficult to enter the homeownership market.

Table 4: Median House Prices for Mandurah as at February 2006

	NO BEDS	Number of Sales	Median Sale Price	Mean	Sum	Highest Sale Price	Median Land Area
MANDURAH	0	1	\$340,000	\$340,000	\$340,000	\$340,000	763
	1	32	\$265,000	\$293,047	\$9,377,500	\$950,000	954
	2	201	\$265,000	\$315,602	\$63,436,000	\$1,275,000	873
	3	686	\$269,500	\$323,734	\$222,081,550	\$1,675,000	802
	4	1,069	\$320,000	\$364,807	\$389,979,050	\$1,800,000	733
	5	42	\$385,000	\$457,579	\$19,218,300	\$1,746,300	848
	6	8	\$310,000	\$458,375	\$3,667,000	\$1,240,000	863
	7	1	\$550,000	\$550,000	\$550,000	\$550,000	2,400
Overall Median			\$315,000				

(Source: Department of Land Information, 2006)

Table 4 reveals that the overall median for Mandurah in early 2006 was \$315,000. This has kept pace with the accelerated housing price growth in the metropolitan region. For the December quarter 2005, the metropolitan median housing price was \$325,000.

Shelter WA estimates that households would require a gross income of \$90,000 to be able to purchase a house worth \$325,000. The median income for the metropolitan region is currently \$60,000, so this gives an indication of the extent of housing unaffordability in Mandurah and Perth. The affordability gap in late 2005 was 52% (the difference between the

median income and the income required to purchase a median priced house). By June 2006 the affordability gap had blown out to 82%.¹⁴

The house prices shown in Table 4 and the growing 'affordability gap' indicate a scarcity of affordable housing for households in the bottom 40% of the income distribution.¹⁵ In addition, other research has demonstrated that when housing prices go up, first home buyer activity tends to shift to cheaper suburbs rather than cheaper houses in previously affordable suburbs.¹⁶ Leaving a growing number of low income households to compete for a shrinking supply of affordable housing in a limited number of suburbs.

It was reported that people were moving to Pinjarra and other areas to afford housing. It was felt that the lack of housing options contributed to the shift in population. This was occurring for those renting and buying houses - leading to increased demand for housing in outer lying areas and town-sites which in turn was affecting growth in rents and housing prices.

The reported impact on families on low incomes of moving to outlying areas was two fold. Firstly, people became more dependent upon their cars due to the lack of an adequate bus service. Secondly, the cost of living is higher in those areas as food prices are higher. Therefore, people were travelling to Mandurah to do their shopping and had an increased dependency on their car. Those on low and fixed incomes were consequently unable to manage budgets.

A consequence of displacement was a reported increase in homelessness particularly amongst youth, single males and Aboriginal families. Aboriginal families were reported as staying with extended families and contributing to overcrowding issues. The high rate of unemployment in Mandurah further added to a complex situation. Further, the absence of boarding house style of accommodation that provided medium term housing had a major impact on youth and single men in particular.

The higher than average age of residents in Mandurah and high aged dependency rates further meant that Seniors are also vulnerable to the loss of affordable housing. Those on low and fixed incomes, it was reported, could not afford that retirement villages and lifestyle choices in Mandurah. While commonwealth support is available it was reported that it was not enough to cover increasing rental costs.

¹⁴ For a more detailed discussion on the affordability gap, see Shelter WA, 2006, *The State of Affordable Housing in WA in 2006*, www.shelterwa.org.au

¹⁵ The unprecedented rise in the 'affordability gap' has led to the median house prices in Perth's 291 suburbs becoming out of financial reach of households in the bottom 40% income distribution (\$51,000 gross and below). Over the past year, 21 more suburbs were added to the unaffordable list for this income group. Given that Mandurah housing prices have kept tags with house price growth in Perth, implies a growing number of households in Mandurah will also be unable to enter the homeownership market.

¹⁶ See Anthony, J & N, Milson, 2006, *Who Needs Housing Assistance in WA*, Australian Housing and Urban Research Institute, Curtin University

3.2 Caravan Park Residents

It was reported that due to domestic violence or evictions and lack of housing choice people in need of affordable housing are living in caravan parks. However, in November people are requested to leave the caravan park to make way for holiday makers who pay a higher overnight rental rate. When people leave caravan parks they go to either to Rockingham or Pinjarra. As a consequence those people who are vulnerable and in most need do not have any housing stability.

A further outcome of living of living in caravan parks, people become unable to obtain rental references as payment for caravan parks do not require a lease. Hence people experience difficulty re-entering the private rental market.

3.3 Support Services

It was reported that men in crisis, youth and those with mental health issues did not have their accommodation needs met. The closure of Holyoake, shortage of supported accommodation for diverse users, increasing population and lack of funding for support services were putting pressure on support services that were available. The current lack of diverse housing stock was considered to be contributing to the lack of options available. It was suggested that while supported accommodation services was needed for youth and those with mental illness, the lack of unit style accommodation that was affordable - limited the availability of support. For those with mental health issues the only option was to be hospitalised.

Most of those consulted expressed the desire to increase the support services available to women in domestic violence. The fact that there was only one refuge to meet the needs of a growing population was considered inadequate. Also discussed was the need for men with children to be able to access support services and priority accommodation. This was considered to be a hidden and unacknowledged need. According to the Anglicare representative, men with children in crisis were a growing problem that needed to be addressed.

3.4 Impact of New Developments

As mentioned in the National Sea Change Task Force, urbanisation and absent owners have an impact on community development. It was reported that perceptions of crime and empty houses made developing a community difficult. It was reported anecdotally, that people are moving back to Perth from Mandurah for family, community and support services.

The Frasers Mandurah Development was also cited as an opportunity for services to community to be increased and recognise that the increase in people would require extensive community planning.

Further it was felt that the ability of Council to negotiate for developers' contribution to affordable housing and the facilitation of support services

was limited. Several reasons were cited for this. Some felt that the Council was not historically supportive of negotiating with developers. However, the perception was that Council was now more positive to considering community needs. It was also perceived that Council's initiatives and ability to refuse inappropriate development were hindered by the State government. Some people felt that the developers themselves were unwilling to discuss community development issues and were in a position of to ignore community requests.

3.5 Public Housing

Homeswest as of April 2006 had 700 properties in Mandurah and 80 in Pinjarra. Of these the Milligan Foundation lease 60 properties. There were 577 on the waiting list of which 250 are seniors, 250 are families and 100 singles under 55. It is reported that singles under 55 are the current growth area. The waiting time for singles accommodation is 5.5 years. The waiting time for seniors is 4 years.

It was reported by a number of those consulted with that there were no issues with maintenance of properties for tenants in Mandurah. A suggestion was made that an Indigenous person or team be contracted to clean people's yards of rubbish and car bodies. It was stated that this would be a service that would improve the appearance of properties as local people could not afford to have the larger items removed.

Those on the priority housing list are being assisted with support with bond and fees to obtain private rental. This is as a result of the 4-5 month priority housing waiting list. It was felt by Homeswest that this form of support would be more appropriate than the alternatives such as caravan parks or refuges. However, it was reported elsewhere that the private rental market does not provide people at risk with stability nor the ability to pay future increases in rent. People, therefore remained at risk.

All those consulted agreed that more housing was needed. While the Department of Housing and Works does have a building program, it was foreseen that creating new stock would be difficult. This was due to the lack of available land in Mandurah. It was planned to have a small stock of Homeswest housing in the Amarillo development.

Also those consulted with agreed that the break up of Homeswest housing enclaves was beneficial. It was perceived that this would help to diminish issues of conflict. It was reported that some Aboriginal people did not want to live in Coodanup because of the conditions there.

Discussions with the Winjan Aboriginal Corporation revealed that people were keen to buy their Homeswest properties. However, two factors were inhibiting people. The first was the initial cost of housing. It was reported that one woman had applied to buy her house in Mandurah. However, during the time taken to assess the market value the price of the house had increased and she could no longer afford it. The family ended up

moving out of Mandurah to Kellerberrin. Also, there were concerns raised regarding the Right to Buy (RTB) schemes. The second half of RTB loans go through a re-assessment process based on current and not historical market rates, the uncertainty as to what that amount would be was acting as a disincentive to purchase.

It was reported that people were concerned that housing prices were rising well beyond their income range. Given lack of affordability, lack of development opportunities, what are the future implications for Homeswest and the provision of appropriate and adequate housing? The gaps identified included housing for seniors, singles (both male and female), the development of units to meet the needs of youth, land for future development, the provision of medium term housing including the possibility of boarding houses.

3.6 Indigenous Housing

Some of the specific needs of Indigenous people included meeting the needs of their Youth and Seniors. As indicated above the median age of Aboriginal people in Mandurah is 17. Issues that were raised in association to youth included the number of youth and lack of facilities for them and concern about meeting their future housing needs given rising house prices. The incidence of domestic violence and refuges for Indigenous women were seen as requiring an urgent government response.

It was noted at the Winjan Aboriginal Corporation that the skate board had been located at Halls Head. However, this became inaccessible to the large numbers of youth in Coodanup due to distance and major road networks. Therefore they felt that more planning was needed for appropriate infrastructure to be installed. Planning for affordable housing to meet future demand was seen as necessary. Without planning the displacement of Indigenous people would continue and pressure on families would increase. Meeting the diversity of housing requirements would involve both the private and public housing sector. Diversity of housing would include the provision of units to meet the needs of single people. As discussed above, it was felt that housing provision in partnership with support services could be provided.

Another major area of concern was the lack of housing for Indigenous Seniors. They felt that given the young population and overcrowding that Seniors housing would alleviate the pressure felt within families. Land was a key barrier to providing Seniors housing. They felt that a partnership with Council to either provide land directly or as a lobby to developers could achieve their goals.

It was stated that the majority of women in the refuge were Indigenous. However, the current refuge was full and another was required. A request was made for another to be provided as a matter of urgency. It would be preferred if this proposed facility could be for Indigenous women.

3.7 Council and the Peel Development Commission (PDC)

Some Council initiatives included consultation with Indigenous people and the employment of an Aboriginal Liaison Officer. However, some felt that while Council had a triple bottom line philosophy it was having a hard time enforcing it. Other's felt that Council was unwilling or unable to refuse developments due to pressure from developers and the State government.

At the recent National Sea Change Task force Conference the Mayor of Mandurah's presentation noted that West Australian Councils do not have compulsory developer contributions and that State government is responsible for water and sewage infrastructure.¹⁷ In the paper she emphasised that to fill identified gaps Council must work in partnership with all stakeholders to achieve positive outcomes. Those gaps would be identified as a result bringing together community, business and government to develop a shared vision.

The PDC was seen to be trying to raise the awareness of the diversity of issues in the community. There was a perception, however, that more emphasis on housing and support services was necessary to achieve sustainable community outcomes.

3.8 Peel Region Affordable Housing Steering Group

Since the middle of 2006, the PDC along with the Department of Housing and Works (DHW) have been prominently involved in the Peel Region Affordable Housing Steering Group (PRAHSG).

The Group comprises a range of key government and non government agencies and is chaired by The Hon Dr Sally Talbot MLC Member of South West. Executive support is provided by PDC with additional support provided by the DHW. The aim of the PRAHSG is to develop a Peel Region Affordable Housing Plan (PRAHP) and identify opportunities to increase the supply of affordable housing through major infrastructure projects.

Shelter WA is strongly behind the Peel initiative. We identified the potential for regional housing strategies to become a key part of Western Australia's social housing system when it was first proposed in Housing Strategy WA, 2005. We believe a regional affordable housing framework should complement the bigger role played by the State Housing Authority (SHA) in the provision of public, community and affordable housing. There is an opportunity for this type of framework to be replicated in other planning regions in Western Australia

¹⁷ See Creevy, P. 2006, *Mandurah a Hyper-Growth Sea Change City*, [http://www.seachangetaskforce.org.au/Conference2006/Cr%20Paddi%20Creevy%20-%20Mandurah.ppt#310,20,Strategies for success](http://www.seachangetaskforce.org.au/Conference2006/Cr%20Paddi%20Creevy%20-%20Mandurah.ppt#310,20,Strategies%20for%20success).

4. Pinjarra

In September 2006, Shelter WA conducted a series of community forums with the residents of Pinjarra. The need to investigate housing needs in Pinjarra was identified as part of the outcomes from the consultations that Shelter WA held in Mandurah. It was identified that welfare agencies were seeing a flow on effect of increasing house prices and declining housing diversity in Mandurah resulting in people moving from Mandurah to Pinjarra in search of affordable housing.

The Pinjarra phase of the consultation included a community workshop, a workshop with DHW tenants, and meetings with the local council and the community counsellor with Pinjarra Primary School. In all, 10 people from diverse backgrounds were consulted.

The key areas of concern were:

The lack of diverse housing and lack of affordable rental houses, particularly the shortage of social housing;

- ▶ Housing and sustainability;
- ▶ The level of homelessness especially for youth and lack of services for the homeless;
- ▶ Children with complex support needs;
- ▶ The need to increase eligibility for social housing to a level that will allow those leaving Department of Housing Works housing affordable options in private rental or home purchase..

4.1 Murray Housing System

The Australian housing system is made up of three main tenure arrangements. These include: fully owned, being purchased (normally with a mortgage) and rental, which consists of private rental (rented from a private owner or agent) and social housing (rented from a public housing or community housing landlord).

Households living in fully owned dwellings face the lowest ongoing housing costs and rarely experience affordability problems. Households purchasing their home can normally afford their repayments when they first purchase but circumstances can change, for example through loss of income or incomes failing to keep pace with increases in interest rates.

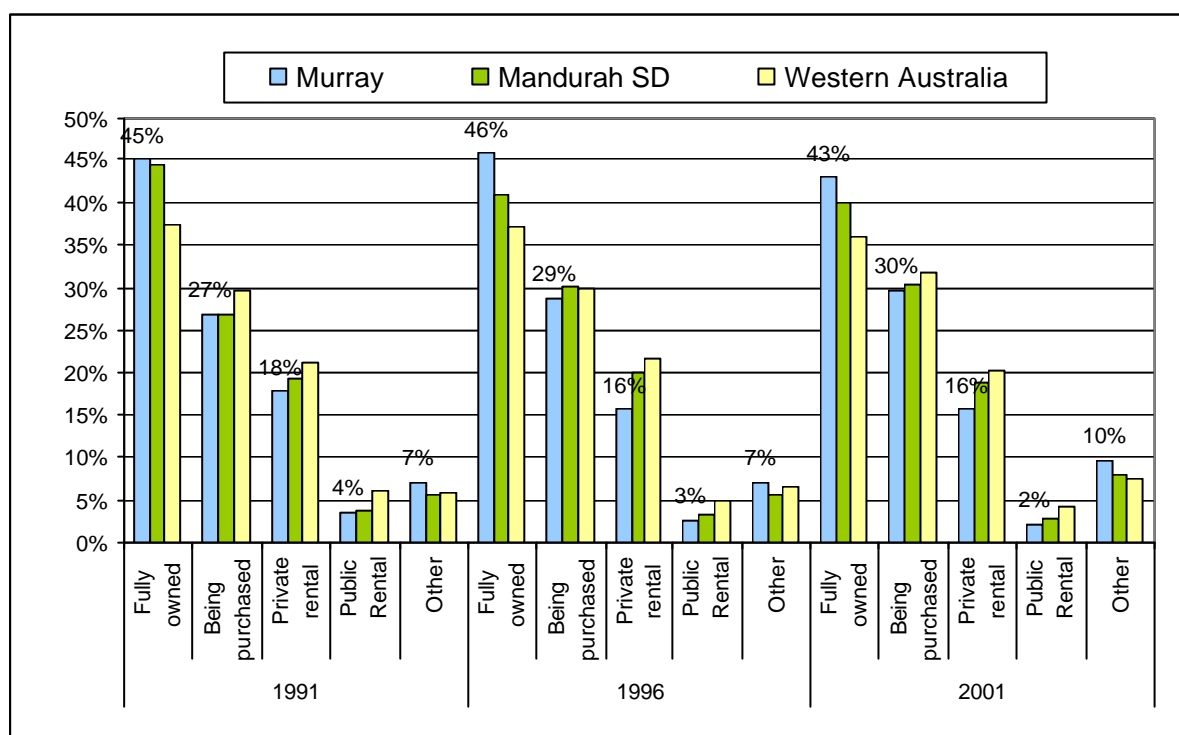
The rental housing system is broadly divided into private rental and social housing. Households living in private rental are the most vulnerable to affordability problems, rents can escalate quickly particularly when there is a scarcity of rental housing combined with high levels of demand.

Social housing consists of public housing and community housing. Households living in public housing are protected from affordability problems as result of the rent to income policy under which public housing

rents are set. This policy restricts rent to 25% of assessed household income until the ceiling of market rent is reached.

Finally, community housing is provided under similar conditions to public housing except that rents can be set at a higher rate so that it incorporates Commonwealth Rent Assistance (CRA). Community housing is managed and provided by not for profit social landlords, any financial surplus is directed toward the provision of additional community housing dwellings.

Figure 3: Tenure change within the Murray, Mandurah (SD) and Western Australian housing systems 1991 to 2001.



(Source: ABS, Census).

Data: Total dwellings where tenure known:

Murray: 1991 (2,883), 1996 (3,427), 2001 (4,042);

Mandurah SD: 1991 (13,205), 1996 (18,155), 2001 (22,125); &

Western Australia: 1991 (545,921), 1996 (628,050), 2001 (693,823).

Figure 3 shows tenure changes in the Murray housing system between the 1991 and 2001 Census and compares these with the Mandurah Statistical District (incorporates the City of Mandurah and the Shire of Murray) and Western Australia. The rate of fully owned dwellings is between 7% and 9% points higher than for WA and a little higher than for the Mandurah Statistical Division. Dwellings being purchased grew from 27% of housing in 1991 to 30% in 2001, slightly lower than the total for WA. Of major concern is the under representation and declining provision of both private and public rental housing. Private rental fell from 18% of housing in 1991 down to 16% in 2001 compared to 20% for WA in 2001. The provision of

public housing has halved over the period 1991 to 2001 from 4% down to only 2% and now only represents half the WA average

4.2 Youth

Forum participants reported that crisis accommodation for youth (15 to 20yr olds) was desperately required. In response to this an informal local network of 15 families who are willing to take children at short notice has developed. While this approach is filling a gap the School Chaplain reported that often these families are being asked to take more children. The demand for places heavily outweighed the beds available either in formal or informal places.

It was also identified that many more children were staying with friends. The reason identified for the crisis in accommodation was as a result of marital break up, drugs and violence in the home. The problems were occurring across Indigenous and Non-Indigenous families. It was stated that DCD were only able to offer limited help.

The Supported Accommodation Assistance Program National Data Collection Annual Report 2004/05 (SAAP NDCA) identified 3 funded agencies in the Peel Region. Over the 2004/05 period these agencies assisted an average of 20 homeless households per day. Only half of these included the provision of accommodation and the remainder were for non-accommodation support services. Most of the accommodation services were provided to women and children escaping domestic violence (64.6%) and the remainder was provided to young single people (35.5%). Participants at the forum expressed their concern that the crisis beds were always full and this is confirmed by the NDCA which showed that the available SAAP services continually operated at their ten client capacity.¹⁸

There are several different definitions of homelessness, for the purpose of the following data the Australian Bureau of Statistics (ABS) definition of homelessness applies. The definition describes 3 levels of homelessness that includes:

- ▶ Primary homelessness: people without conventional accommodation;
- ▶ Secondary homelessness: people who move frequently from one form of temporary shelter to another;
- ▶ Tertiary homelessness: people who live in boarding houses on a medium to long-term basis.¹⁹

Homelessness data reported in *Counting the Homeless 2001: WA* demonstrates there is a shortage of emergency accommodation compared

¹⁸ See Australian Institute of Health and Welfare, *Homeless People in SAAP: SAAP National Data Collection Annual Report 2004-05* – Western Australian Supplementary tables, Canberra.

¹⁹ Australian Bureau of Statistics, 1999. *Census of Population & Housing: Counting the Homeless, 1999*, Occasional Paper 2041.0, ABS, Canberra.

to the number of homeless people reported in the Statistical Subdivision of Mandurah (the ABS SD of Mandurah, consists of the City of Mandurah and Shire of Murray). Table 5 identifies that nearly three quarters of the homeless population were staying with friends and relatives on Census night 2001. It is very concerning that only 4% of the homeless population were accommodated in SAAP agencies, this is half the rate for Western Australia.²⁰

Table 5: Homeless in Mandurah compared to Western Australia, Census night 2001

	Mandurah (SD)		Western Australia	
	No.	%	No.	%
Improvised dwellings	52	21%	2,242	19%
Friends/relatives	178	73%	6,755	58%
Boarding house	4	2%	1,755	15%
SAAP	9	4%	945	8%
Total	243	100%	11,697	100%
Rate per 10,000	43		64	

(Source: Counting the Homeless 2001: WA)

4.3 Children

A further area of concern for those consulted was the limited support available for children in crisis. This group primarily consists of children aged between 11 and 12. It was felt that children were living in crisis due to the presence of drugs at home. When situations arose, it was reported that the children had nowhere to go and relied upon friends for support.

The Community Liaison officer at the primary school had set up the Families and School Together (FAST) program to off set some of the issues. She was seeing children as young as 8 who were in crisis. She regarded fulfilling the need for support and accommodation to be a top priority for the community.

4.4 Diverse and Affordable Housing

Those most affected by the lack of diverse housing were single seniors. They felt that they could not afford to rent in Pinjarra and were experiencing housing stress. The cost of rent cut into their expenditure on daily necessities. They reported being only able to afford to shop in the Op Shop and were unable to pay for a car. Access to cheaper items was limited due to the lack of public transport between Pinjarra and Mandurah. The daily bus service that did operate catered for workers who started early and finished later in the day. There was no service for commuters who travelled throughout the day.

The high cost of smaller housing and its impact was verified by the Community Development Officer at the Council. Seniors could not offset

²⁰Chamberlain, Chris & Mackenzie, David, *Counting the Homeless 2001: WA*, Swinburne University/RMIT University

the high cost of living in Pinjarra due to limited part-time employment opportunities.

As identified earlier, the provision of public housing in Mandurah and Murray are lower rates than the State average. Table 6 demonstrates that DHW demand data also reveal the ratio of demand to provision of public housing by the DHW is much lower in the Peel Zone compared to the rest of the Fremantle Region. This is particularly the case for seniors with a ratio of 1.0 appropriate sized dwelling per applicant compared to 8.0 in Fremantle.

Table 6: Demand for public housing compared to provision within the Fremantle Region, September 2006.

	Seniors	Singles	Family		Total
	1 bedrm	1 bedrm	2/3 bedrm	4+ bedrm	
Kwinana Zone					
Applicants	185	85	265	32	567
Dwellings	557	43	544	176	1,320
Dwelling/App. Ratio	3.0	0.5	2.1	5.5	2.3
Occupations	44	6	19	10	79
Wait time months	31	30	53	45	38
Fremantle Zone					
Applicants	205	353	571	54	1,183
Dwellings	1,657	244	2,221	300	4,422
Dwelling/App. Ratio	8.1	0.7	3.9	5.6	3.7
Occupations	70	9	43	13	135
Wait time months	48	62	64	49	56
Peel Zone					
Applicants	299	79	214	19	611
Dwellings	305	27	358	68	758
Dwelling/App. Ratio	1.0	0.3	1.7	3.6	1.2
Occupations	11	0	10	4	25
Wait time months	47	59	43	4	153

(Source: DHW waitlist data September 2006).

4.5 General

It was reported that people were moving to Pinjarra for a number of reasons:

- ▶ People who were building in Mandurah moved to Pinjarra during construction;
- ▶ Those who were looking for affordable housing;
- ▶ Relocation of Alcoa's administration building.

Overall, it was considered that the movement of people from Mandurah and the opening of Alcoa's administration building was driving up demand for housing in Pinjarra. Consequently, the impact was to drive up the cost of housing.

The Council had commissioned a report entitled "Positive Aging in the Shire of Murray."²¹ⁱ. In the report it was recognised that the lack of appropriate aged care accommodation was an issue for Seniors. Those consulted felt that the findings of this report combined with the lack of affordable and diverse accommodation discussed above highlighted the need for Council to develop an affordable housing strategy.

Further discussions with the Peel Development Commission identified the need for an Affordable Housing strategy for the entire Peel region.

Recommendation 1: That the issues of youth accommodation and shortage of SAAP, support for children in crisis and the lack of diverse and affordable housing be addressed as part of the Peel Affordable Housing Task Force.

4.6 Homeswest tenants

A focus group for Homeswest tenants was held in Pinjarra. Overall, while invitations were sent out to all Homeswest tenants, there were only two respondents.

The main concern that was highlighted by one family was the income eligibility for tenants whose teen age children were either attending further education and on Abstudy or working. The parents felt a high degree of concern that they had only two options available to them:

- ▶ Have their children leave;
- ▶ Move out of their home which they had lived in for over 20years.

They felt that asking the children to move out was inappropriate. The parents felt that they would like to continue to support their children while they studied or established themselves. They did not want to move out of their home as they could not afford another house and did not want to leave their long term home.

It would be worth checking that the income assessment has been applied in line with DHW policy as set out below. For households that occupied prior to August 1992, only 23% of the non-dependents income should be taken into consideration when assessing rent to income.

²¹Lucks, D. and Price, M. 2006, *Positive Aging in the Shire of Murray, Sustainable Development Facilitation*, Pinjarra.

Excerpt from DHW Rent to Income Policy.

<p>5. The income of other household members will be included in a calculation of gross household income, depending upon circumstances.</p>	<p>5.1 Other household members are dependent or non dependent members of a household, who are not party to the tenancy agreement. This includes non family members and boarders.</p> <p>5.2 Persons occupying the tenancy on a casual basis, i.e.. Visiting relatives, who remain for two months or longer will have their incomes assessed as household members.</p> <p>5.3 For households that first occupied prior to 31 August, 1992, and/or occupied apartments prior to 21 July 1997, 23% of the non-dependent's income is considered for the rent to income assessment. E.g.. \$160 X 23% @ 23% = \$8.46. This is applied to all over the age of 16 years. From February 1999, where there is a change of circumstances for other household members in this group, 100% of income will be assessed for rent to income. E.g.. A household member turning 21 years or a new non dependent moving into the household. Dependents turning 16 years will be assessed at 10% for rent.</p>
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Further, the Tenants Advice Service reporting on a case concerning income eligibility for a Homeswest tenant on a pre 1996 tenancy agreement noted: ²²

"The important point was that their contract (a pre-1996 agreement) did not require them to meet this criteria."

The current Homeswest income limits are shown in Table 7 below, Pinjarra's limits comes under the category of Metro and Country. These limits are set at very low levels, especially for single people, who will exceed the limit if they gain full-time employment that pays a wage equivalent to the national minimum wage of \$504 per week.

Table 7: Homeswest income limits

NO. OF PERSONS IN HOUSEHOLD	METRO & COUNTRY		NORTHWEST REMOTE		FOR PEOPLE WITH A DISABILITY			
					METRO & COUNTRY		NORTHWEST REMOTE	
	Single Income	Dual Income	Single Income	Dual Income	Single Income	Dual Income	Single Income	Dual Income
1 Person	\$430	-	\$610	-	\$540	-	\$760	-
2 Persons	\$580	\$670	\$820	\$940	\$725	\$830	\$1025	\$1180
3 Persons	\$695	\$790	\$980	\$1120	\$870	\$1000	\$1225	\$1400
4 Persons	\$815	\$930	\$1150	\$1320	\$1020	\$1160	\$1440	\$1650

(Source: www.dhw.wa.gov.au)

- For households with more than four people, add \$115 for each person after the fourth. Households with a family member with disabilities or similar, add \$145.

²² Tenants Advice Service, Annual Report 2005/06.

The median rent for a single bedroom unit in the Mandurah local government area in the December quarter 2006 was reported by the Real Estate Institute of Australia as being \$200. Table 8 shows that in order to afford this rent without going into housing stress a gross household income of \$677 per week is required, an amount that exceeds the DHW limits by \$237 per week. In other words unless DHW income limits are significantly increased, some tenants may be required to vacate the Homeswest tenancy only to establish a private tenancies that would see them living in housing stress and at risk of homelessness and returning to the DHW waitlist.

Table 8: Private rent affordability for households leaving Homeswest.

Household type	REIA Median Rent December 2006	Gross Weekly Income Required to Affordably Rent	DHW Income Limit May 2006			
			Single	Difference	Dual	Difference
Other Rents December Quarter 2006						
1 person	\$200	\$667	\$430	-\$237		
2 person	\$200	\$667	\$580	-\$87	\$670	\$3
House Rents December Quarter 2006						
3 person	\$220	\$733	\$695	-\$38	\$790	\$57
4 person	\$220	\$733	\$815	\$82	\$930	\$197
5 person	\$220	\$733	\$930	\$197	\$1,045	\$312

(Source: REIA - Real Estate Market Facts December Quarter 2006)

Shelter WA believes that the DHW should conduct a review of income limits to address such situations and set the income limits at level that allow households leaving social housing affordable access to private rental housing.

Recommendation 2: That the Department of Housing and Works review income eligibility limits to ensure tenants exceeding the limits will be able to access affordable private rental.

Appendix 1: List of Consultations

Consultations convened from Sept 2005 to June 2007

Michelle Emmerson-Law, Manager, Peel Community Legal Centre

Gillian Martelli, Manager Community Services, City of Mandurah

Albert Rogers, Co-ordinator, WestAus Crisis and Welfare Services

Lisa Craig, Project Officer, Peel Community Development Group

Stephen Quinn, Acting Regional Manager, Homeswest Mandurah Office

Trisha McGowan, Manager, Pat Thomas Memorial Community House

Alli Mills, Department of Community Development

Rick Muir, Regional Manager, Homeswest Mandurah Office

Harry Nannup, Chair, Winjan Aboriginal Corporation

Jackie Wilson, Family Support Worker, Anglicare Stabilising Homes

Leanne Carter, Community Liaison Officer, Pinjarra Primary School

Lisa Gardner, Community Development Officer, Shire of Murra

Appendix 2

Key housing and social issues which emerged from the Mandurah and Pinjara public meetings:

- ▶ community polarisation;
- ▶ population dislocation;
- ▶ impact on outlying areas;
- ▶ lack of diverse affordable housing;
- ▶ lack of adequate support services to meet demand;
- ▶ high dependency rates;
- ▶ overcrowding in Indigenous households;
- ▶ small number of Homeswest housing as a proportion of the population
- ▶ lack of youth crisis accommodation;
